

EXHIBIT 7 BvH
DATE 2-19-09
HB 608

February 19, 2009

Dear Representative _____

On February 19th you will be hearing HB 608 in committee. This bill is very important to local governments to ensure dangerous burned out buildings are demolished in a timely manner. This legislation is needed as in many areas of the state the cost of demolition exceeds the value of the property. In these areas owners of burned buildings simply take the insurance proceeds leaving a dangerous building to be dealt with by the local government.

This exact scenario has occurred at various times in Glendive within the last few years. In one instance the owner walked away with the insurance proceeds leaving the liability to the City of Glendive. This building posed a real health and safety problem for the City as kids were playing in the basement of this structure. Even so it took many years and as many trips to court to get permission for the City to demolish the building. Costs associated with the demolition of this structure far outweigh the value of property thus the City taxpayer was left to pay the costs of demolition.

HB 608 allows the local government to place a lien on the insurance proceeds until the property is cleaned up. This bill will help ensure property owners do not simply take the money and run as has been done so many times in the past. Local governments do not want this money but rather need this legislation as an incentive to get property owners to clean up their own property.

Similar legislation has been brought forward in every session since 2005 with strong Insurance industry opposition. The Insurance industry has been instructed by previous legislators to work with local governments to resolve this problem. To date the problem still exists. It is far past time to pass legislation to resolve this problem. We urge you to support HB 608.

Sincerely,

Jerry Jimison
Mayor, City of Glendive